

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION

AVIS RENT A CAR SYSTEM, LLC, <i>et al.</i> ,	:	
Plaintiff,	:	Case No. 3:12-CV-00399
v.	:	JUDGE WALTER H. RICE
CITY OF DAYTON, OHIO,	:	
Defendant.	:	

ENTRY DIRECTING PLAINTIFFS TO SUBMIT A STATEMENT
IDENTIFYING THE CITIZENSHIP OF EACH OF THE MEMBERS OF
AVIS RENT A CAR SYSTEM, LLC FOR PURPOSES OF DETERMINING
THE COURT'S JURISDICTION UNDER 28 U.S.C. § 1332

Plaintiffs Avis Rent A Car System, LLC ("Avis"), and Budget Rent A Car System, Inc. ("Budget"), filed a Complaint on November 28, 2012, alleging that the City of Dayton, Ohio's, implementation of a new permit process for the operation of rental car businesses at the Dayton International Airport is a breach of the City's existing lease agreements with Plaintiffs. Doc. #1. In their Complaint, Plaintiffs have stated the basis of this Court's jurisdiction is the diversity of the parties' citizenship pursuant to 28 U.S.C. § 1332.

The diversity statute grants original jurisdiction in United States District Courts over civil actions in which the matter in controversy is in excess of \$75,000 and is between "citizens of different States," among other permutations

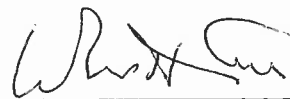
of diversity. 28 U.S.C. § 1332(a). A corporation is both a citizen of its state of incorporation and of the state where it has its principal place of business. 28 U.S.C. § 1332(c)(1). Plaintiffs have stated that Budget is a corporation organized under the laws of Delaware with its principal place of business in New Jersey; it is therefore a citizen of either state. Defendant the City of Dayton is a citizen of the State of Ohio. *Illinois v. City of Milwaukee, Wis.*, 406 U.S. 91, 97 (1972) (“It is well settled that for the purposes of diversity of citizenship, political subdivisions are citizens of their respective states”). With regards to the City of Dayton and Budget, the parties are diverse.

However, the citizenship of Avis Rent A Car System, LLC, cannot be determined from the Complaint. Plaintiffs state that “Plaintiff Avis Rent A Car System, LLC, is a limited liability company organized under the laws of Delaware, with its principal place of business at 6 Sylvan Way, Parsippany, New Jersey.” Those facts are not relevant to the determination of Avis’s citizenship because, as a limited liability company, the entity derives its citizenship from that of its members. *Delay v. Rosenthal Collins Group, LLC*, 585 F.3d 1003 (6th Cir. 2009); *see also Carden v. Arkoma Assocs.*, 494 U.S. 185 (1990) (basing diversity jurisdiction on the citizenship of the members of an unincorporated entity). In *Delay*, the Sixth Circuit described such a jurisdictional statement concerning an LLC as “deficient” and ordered the party to submit a jurisdictional statement identifying the citizenship of all of its members. *Delay*, 585 F.3d at 1005.

The Court notes that in the related case of *Enterprise RAC Company of Cincinnati, LLC, dba Enterprise Rent-A-Car et al., v. City of Dayton*, No. 3:12-cv-405, the plaintiffs are both limited liability companies. Their complaint disclosed the citizenship of all LLC members, and therefore jurisdiction in that case was properly pled.

In light of the foregoing, Plaintiffs are directed to file a jurisdictional statement identifying the citizenship of all members of Avis Rent A Car System, LLC, so that the Court can properly determine the basis of its jurisdiction in this case. Bearing in mind the time-sensitive nature of this case and the accelerated briefing schedule that is to be determined shortly, Plaintiffs are directed to file the aforementioned statement with the Court as soon as practicable.

Date: December 10, 2012



WALTER H. RICE
UNITED STATES DISTRICT JUDGE